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E.O. 12958: DECL: 12/14/2034
TAGS: PINR ECON ELAB CH
SUBJECT: (C)  CHINA: KUDOS FOR PENSION SYSTEM REPORTING
(C-AL9-02577)

REF: BEIJING 003168

Classified By: ELISSA G. PITTERLE, DIRECTOR, INR/OPS. REASON: 1.4(C).

¶1.  (C/NF)  WASHINGTON ANALYSTS WOULD LIKE TO PROVIDE KUDOS
FOR REFTEL, AN EXCELLENT RESOURCE ON CHINA'S PENSION SYSTEM
AND ONE THAT WE WILL BE REFERRING TO FREQUENTLY AS WE DRAFT
FINISHED PRODUCTS ON CHINA'S REBALANCING POLICIES AND ITS
DEMOGRAPHIC BURDENS.  OF PARTICULAR INTEREST WAS THE
INFORMATION ABOUT THE PERSISTENCE OF CHINA'S ONE-CHILD
POLICY, SINCE WE HAVE SEEN PRESS REPORTING THAT THE GOVERMENT
MIGHT BE INCLINED TO LOOSEN SOME OF THE RESTRICTIONS IN LIGHT
OF THE COMING DEMOGRAPHIC CRUNCH.  WE ESPECIALLY VALUED
REFTEL'S DESCRIPTION OF HOW PENSION FUNDS ARE ADMINISTERED
AND THE BREAKDOWN OF RESPONSIBILITIES FOR PAYMENT AND FUNDING
BETWEEN EMPLOYEES AND THE CENTRAL, PROVINCIAL, AND LOCAL
GOVERNMENTS - A LEVEL OF DETAIL THAT IS DIFFICULT TO FIND IN
ENGLISH-LANGUAGE PUBLICATIONS.  WE GREATLY ENCOURAGE FURTHER
REPORTING ON CHINA'S DEMOGRAPHIC ISSUES AND HOW BEIJING
INTENDS TO NAVIGATE ITS COMING PENSION CRISIS.  MANY THANKS,
AND WARM REGARDS FROM WASHINGTON.
CLINTON
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